

Volume No. 3 - Automated System Applications	TOPIC NO. 70605
Function No. 70600 - Lease Accounting System	TOPIC LAS INPUT DOCUMENTS
	DATE 9/1/93

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OVERVIEW

The purpose of this topic is to provide instructions and procedures necessary to complete and submit Lease Accounting System (LAS) input forms for processing. There are numerous input forms that must be submitted by each agency to record lease data into LAS. LAS Forms 1, 2, and 3 constitute the Lease Transaction Package (LTP) and include general lease information, classification test information and payment stream information. LAS Form 4 is used to delete, terminate or extend a lease. Form LAS 5 is used to request lease reports. These forms are discussed in detail in the PROCEDURES section of this topic.

POLICY

Each agency is responsible for ensuring that all input documents involving lease transactions have been prepared in a timely and accurate manner, properly reviewed and approved by authorized agency personnel. Such input documents must be batched and submitted in accordance with the procedures detailed in this topic.

PROCEDURES

100 General

A set of three forms (LAS 1, 2, 3) is needed to execute a lease transaction. Two other forms (LAS 4,5) allow requests for lease deletion, termination, extension and reports. The key field names are in bold face type on each form and are system required since there is no search capability to locate a lease.

The following provides an explanation of the format used in describing each at the input field requirements on the LAS forms. **A sample form follows the narrative for each form.**

Column 1 - The number circled on the form corresponds to the numbered fields in the narrative. The payment stream fields are separately identified by the letters (a), (b), (c), and (d).

Column 2 - For some item numbers, the length of the input field is specified in parentheses. Some fields have a dash (-) or decimal (.) separating input characters for that field. For other item numbers, the word "Space" which indicates line space is provided for the input data, or the word "Check" or "Circle" indicates a check mark or circle may be required, or the word "Explain" which indicates that an explanation may be called for.

Column 3 - An 'A' is specified if the field can contain alpha/numeric characters and an 'N' is specified if the field must be numeric only, or a '%' mark is specified if a percentage figure is required.

Column 4 - The instructions are written basically for the "Add" and "Renew" transactions. Thus, the fields marked with 'R' are "required" only when Adding or Renewing a lease, except for key (system required) fields as stated above.

Column 5 - This is the title of the field being referred to.

Column 6 - This is the narrative discussion giving guidance for completing each input field.

For additional information and procedures for LAS input refer to Subsection 700, "Using LAS - Action Codes."

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PROCEDURES (Continued)

200 Form LAS-1 General Lease Information

The first of the three forms in the Lease Transaction Package (LTP), is LAS-1, the General Lease Information form. This form is used to specify general information concerning a lease agreement. This information combined with information on forms LAS-2 and LAS-3 constitutes a lease transaction. One LTP is required to Add or Renew a lease. A Change can be submitted on either an LTP or on a lease input data report that is properly marked in red/green ink and has an original approval signature.

Preparer's Instructions for Form LAS-1 (see Subsection 100 for format explanation):

- | | | | |
|-------------|-----|-----------------------------|--|
| 1. (1) | A R | Action Code | Select the desired action:

A = Add R = Renew C = Change |
| 2. (3) | N R | Agency Number | The three digit Agency Number assigned in CARS. |
| 3. (21) | A R | Agency Name | Agency Name or reasonable abbreviation. |
| 4. (4) | N R | Fiscal Year of Input | The Fiscal Year (ending June 30th) in which the lease is being submitted for input into the system, for example, FYE 30 June 1991 = 06-1991. |
| 5. (Circle) | R | Lessee or Lessor | Circle the item that corresponds to the agency's position with respect to the lease.
Lessee - agency rents from
Lessor - agency rents to |

Note: If lessor is circled, lessor information on Form LAS-3 must be supplied.

- | | | | |
|-------------|-----|--------------------------|--|
| 5. (Circle) | R | Lease or Sublease | Circle the appropriate item. (Agency must be renting from Lessee if Sublease) |
| 6. (4)(3) | N R | N R | Payment is Charged... Fund/Program Indicate the fund (4 digits) and program (3 digits) that lease payments will be charged (lessee) or credited to (lessor) in CARS. |
| 7. (Space) | A R | Fund Description | Name or abbreviation of Governmental Fund Group that the lease will be recorded under in LAS. |

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PROCEDURES (Continued)

200 Form LAS-1 General Lease Information (Continued)

- | | | | |
|-----------|-----|---|---|
| 7. (2) | N R | LAS Division Number (Fund) | <p>The fund to be used for financial reporting is usually the General Fixed Assets Account Group, LAS Division 15 or 35. Other Fund/Divisions are:</p> <p>Higher Education Fund - 03 or 23
Enterprise Fund - 05 or 25
Internal Service Fund - 06 or 26
Trust and Agency Fund - 07 or 27
Debt Service Fund - 08 or 28</p> <p>The first number is for the original lease and the second number is for renewal. Second renewals will revert back to the original number.</p> |
| 8. (4) | N R | Lease Number | <p>Unique one to four digit lease number assigned by agency (see Subsection 701, "Add Transactions," for information regarding BRPM system Numbers).</p> |
| 9. (35) | A R | Lease Description | <p>Information to help identify the leased asset. Identification numbers, equipment type, make and model, the location of equipment or real estate should each be considered, as well as any audit trail information that may be needed.</p> |
| 10. (2-4) | N R | Beginning- Inception/ Renewal Date | <p>LAS begins the payment stream with this date, therefore, this is the fiscal inception of the lease, not the legal inception date. Show the month (MM) and year (YYYY) that payments begin. The lease report will always indicate the 1st of the month, so be careful to determine the correct timing of the payment (item 12 below).</p> |

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PROCEDURES (Continued)

200 Form LAS-1 General Lease Information (Continued)

11. (2-4) N R **Ending Date**

Enter the month (MM) and year (YYYY) for the final payment of the lease term. This date is not keyed into the system (except to "early terminate" a Capital lease), the system will always use the 30th or last day of the month as a default, therefore, as stated above, be careful to determine the correct timing of the payment (item 12 below). If the Beginning Date and the Payment Stream data is correct, then the lease will expire in the correct month and year. If the lease is Renewed, be sure it starts in the month after the preceding lease term expires (no gap or overlap).

12. (1) A R **Timing of Payment**

LAS offers a choice as to the timing of payment. 'B' is for Beginning (start of payment period) and 'E' for End of payment period, according to which most closely fits the lease. For example, if monthly payments, the 1st through the 15th would be Beginning and the 16th through the 31st would be End of the payment period. If payments are made quarterly or annually, and payments are not due until the end of the payment period, then 'E' for End of period should be specified.

13. (Circle) R **Category Type**

Circle the appropriate lease Category number. If classification test 'A' or 'B' on Form LAS-2 is passed, the Transfer of Ownership series, 11 through 15, should be chosen. If title does not pass, choose from Categories 01 through 05.

Note: If applicable, item 14, 15, or 16 is required.

14. (Check or Explain) ^a **Building**

Category 03, Building, is used primarily when a Category 02, Land and Building lease, meets the criteria to be split into two lease numbers, one for Land, and one for Building, however, it may also be used when the lease is for an entire building that is mobile, temporary, or part of a multiple building complex, such as a shopping center or office park. Leases of this type, will be classified as operating leases if they fail the 'C' test. Check if applicable, otherwise use Category 02, or explain.

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PROCEDURES (Continued)

200 Form LAS-1 General Lease Information (Continued)

- | | | |
|-----------------------------|--|---|
| 15. (If Cat. 13 is Circled, | ^b Building- Transfer Ownership | If test 'A' or 'B' is passed, the building must include the land under and around it, so use Category 12 instead of 13, or explain. |
| 16. (If Cat. 14 is | ^c Part of Building- Transfer Ownership | Unless the leased property is a Condominium, it would not be likely that "Part of a Building" could have "Transfer of Ownership," therefore, explain the reason if Category 14 is selected. |

Note: Item 17 is required if Land and Building, Category 02, is circled in item 13 above.

- | | | | |
|------------|---|--|--|
| 17.(Space) | N | Fair Value of Building | If a Land and Building lease, indicate the fair value of the building component only. |
| 17.(Space) | N | Fair Value of Land | If a Land and Building lease, indicate the fair value of the land component only. |
| 17.(Space) | N | Total Fair Value | Add the two component values, to indicate the fair value of land and building combined. |
| 17.(Space) | % | Percent Land of Total | Divide the land value by the total value, and multiply the result by 100. This will give the percentage land value of the total value. |
| 17.(Space) | A | Is Land Equal to or Greater than 25% of the Total Fair Value? | Indicate YES if the percentage computed above is equal to or greater than 25%. If less than 25%, indicate NO. |

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COMMONWEALTH OF VIRGINIA
LEASE ACCOUNTING SYSTEM
LEASE TRANSACTION PACKAGE

Form LAS – 1

Revised – 01 April 1991

1 of 3

GENERAL LEASE INFORMATION

Note: No Batch Header needed. Forms LAS-1, 2, 3 must be stapled together.

ACTION CODE: A = ADD R = RENEW C = CHANGE (Correction) _____ (1)

AGENCY NUMBER: (3 Numeric Characters) _____ (2)

AGENCY NAME: (Up to 21 Characters) _____ (3)

INPUT FISCAL YEAR: (Current Fiscal Year End – June 30th (YYYY) 0 6 - _____ (4)

CIRCLE: LESSEE or LESSOR CIRCLE: LEASE or SUBLEASE (5)

PAYMENT IS CHARGED / CREDITED (Circle) TO CARS FUND: AND PROGRAM: (6)

LAS FUND DESCRIPTION: LAS FUND/DIVISION NUMBER: _____ (7)

LEASE NUMBER: (1 to 4 Numeric Characters) _____ (8)

LEASE DESCRIPTION: (Up to 35 Alpha/Numeric Characters) _____ (9)

_____ (10)

BEGINNING INCEPTION/RENEWAL (1st Payment) DATE (MM-YYYY) _____ - _____ (10)

ENDING (Last Payment) DATE (MM-YYYY) _____ - _____ (11)

TIMING OF PAYMENT: (Due At) B = BEGINNING E= END (of Payment Period) (12)

CATEGORY TYPE: (Circle Number) (13)

01 - LAND 11 - LAND - TRANSFER OF OWNERSHIP

02 - LAND & BUILDING 12 - LAND & BUILDING - TRANSFER OF OWNERSHIP

^a 03 - BUILDING ^b 13 - BUILDING - TRANSFER OF OWNERSHIP

04 - PART OF BUILDING ^c 14 - PART OF BUILDING - TRANSFER OF OWNERSHIP

05 - EQUIPMENT 15 - EQUIPMENT - TRANSFER OF OWNERSHIP

^a ☐ Check if mobile/temporary building or part of multiple building complex, and use Text 'C' only, or not checked, use Category 02, or explain. (14)

^b ☐ If Test 'A' or 'B' is YES, use Category 12 instead of 13, or explain. (15)

^c Explain: _____ (16)

^c (a, b, c): _____ (17)

IF CATEGORY 02 (Land & Building) COMPLETE THE FOLLOWING:

Note: If Renewal, adjust from original to current Fair Market Value.

CURRENT FAIR MARKET VALUE OF BUILDING = _____ (BV)

CURRENT FIAR MARKET VALUE OF LAND = _____ (LV)

TOTAL FAIR MARKET VALUE = _____ (TV)

PERCENT LAND OF TOTAL (LV / TV * 100 = %) = _____ (%)

IS LAND EQUAL TO OR GREATER THAN 25% OF THE TOTAL FAIR VALUE?

Note: If YES, DOA will determine if lease is "Split", Capital or Operating lease.

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PROCEDURES (Continued)

300 Form LAS-2 Classification Tests and Asset Information

The second form in the Lease Transaction Package is Form LAS-2, the Classification Tests and Asset Information form. This form is used to specify information pertaining to the leased asset, and to assist in classification of the lease as either operating or capital. Each Form LAS-2 should be stapled to Forms LAS-1 and LAS-3.

Preparer's Instructions for Form LAS-2 (see Subsection 100 for format explanation):

- | | | | |
|------------|-----|----------------------------------|--|
| 18. (3) | N R | Agency | The three digit Agency Number assigned in CARS. |
| 18. (4) | N R | Lease Number | Unique one to four digit lease number. The lease number on Form LAS-2 must be the same as the lease number on related Forms LAS-1 and 3. |
| 19.(Space) | A R | Title Test (A) | If title passes to the lessee by the end of the lease, indicate YES; if not, indicate NO. Note: If YES, title passes, a category from the Transfer of Ownership series, 11 through 15, should be circled in item 13 on Form LAS-1. |
| 20.(Space) | A R | Bargain Purchase Test (B) | If the lease agreement contains a Bargain Purchase Option indicate YES, otherwise NO. Note: If YES, a Category from the Transfer of Ownership series, 11 through 15, should be circled in item 13 on Form LAS-1. |
| | | If YES, | If YES is specified in item 20 above, indicate Amount/Date the amount, and, if applicable, the date. |
- Lease Term Test (C):
- | | | | |
|------------|-----|---|--|
| 21.(Space) | N R | Lease Term (C-1) | Indicate the lease or renewal term in years and/or months as applicable. |
| 22.(Space) | N R | Estimated Remaining Economic Life (C-20) | This is the estimated remaining economic life at the beginning of the lease or renewal period. The item corresponds to item 33 below, and must be expressed in the same terms (years and/or months) as specified in item 21 above. |
| 23.(Space) | % R | Percentage C-1 of C-2 (C-3) | Compute the percentage by dividing the lease term by the estimated remaining economic life and multiplying the result by 100. For this computation to be valid, items 21 and 22 must be the same in terms of years and/or months. |
| 24.(Space) | A R | Is C-3 = or Greater Than 75%? (C-4) | If the computation in item 23 above, is equal to or greater than 75%, indicate YES. If less than 75%, indicate No. |

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PROCEDURES (Continued)

300 Form LAS-2 Classification Tests and Asset Information (Continued)

90% Payment Test (D):

25.(Space)	A R	Bargain Renewal	If there is a Bargain Renewal Option, indicate YES; if not, indicate NO.
26.(Space)	N R	Penalty or No Penalty	If lease contains a penalty for failure to renew or (Circle) or for any other reason, indicate the amount, or circle to indicate NO penalty.
27.(Space)	A R	Explanation of Penalty	If a penalty is indicated in item 26 above, then an explanation is required.
28. (2.2)	% R	Incremental Borrowing Rate	Indicate the Prime Rate that was in effect at the beginning of the lease. DOA will furnish Prime Rate charts periodically or upon request.
29.(Space)	N R	Fair Market Value	Do not leave this field blank (unless Category 04), indicate the best estimate from lessor or tax assessor. Update this value for Renewals.
30.(Space)	N	Estimated Salvage Value	Specify the estimated salvage value (if known) that would be remaining at the end of the asset's estimated economic life.
31.(Space)	N	Guaranteed Residual Value	Specify the guaranteed residual value, if any, indicated in the agreement if title does not pass to the lessee by the end of the lease.
32.(Space)	N	Unguaranteed Residual Value	Specify the estimated unguaranteed residual value, if known, if title does not pass to the lessee by the end of the lease.
33.(Space)	N	Total and Remaining Economic Life	Specify total estimated economic life for the asset (from new to end of economic life), and specify the estimated economic life remaining at the beginning of the lease or renewal period.
34.(Space)	N	Asset Amortization Life	See note on Form LAS-2 for guidance, and indicate the asset amortization life, (the asset's remaining economic life or its lease term), if appropriate.
35. (2-4)	N	Amortization Dates	Indicate the Start month (MM) and year (YYYY) or Check (start date of lease), then the End month (MM) and year (YYYY) (end of remaining economic life or lease term) for amortization or check N/A.

Note: Results of Classification Tests: For DOA use only, do not check.

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LEASE NO. _ _ _ _ (18)

Form LAS-2

CLASSIFICATION TEST INFORMATION

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Note: If Test 'A' or 'B' is 'YES' for any Category, circle 11-15 on LAS-1.
 If asset is in last 25% of its economic life, only Tests 'A' & 'B' apply.
 If asset is Category 01 (Land), only Tests 'A' and 'B' apply.
 If asset is Category 04 (Part of Building), only Test 'C' applies.
 Otherwise, ALL (A,B,C,D) Classification Tests are REQUIRED.
 If ONE OR MORE CLASSIFICATION TESTS ARE POSITIVE, THE LEASE IS CAPITAL.

A - TITLE TRANSFER TEST: Does Title Pass to Lessee? (YES or NO) _____ (19)

B - BARGAIN PURCHASE TEST: Is there a Bargain Purchase Option? (YES or NO) _____ (20)

C - LEASE TERM TEST:

1. LEASE TERM (LT) = YEARS _____ MONTHS _____ (21)
 2. ESTIMATED REMAINING ECONOMIC LIFE (EREL) = YEARS _____ MONTHS _____ (22)
 3. PERCENTAGE 1 of 2 (LT / EREL x 100 = % Be Sure Terms Are Same) = _____ % (23)
 4. IS 3 EQUAL TO OR GREATER THAN 75%? (Yes or No) _____ (24)

D - ASSET INFORMATION & 90% PAYMENT TEST: *** (Test Completed at DOA) ***

Note: Provide all data, if applicable and available. *Asterisk = Required Data
 If Renewal, adjust from the original to the current Fair Market Value.

* IS THERE A BARGAIN RENEWAL OPTION? (Yes or No) _____ (25)
 IF YES AMOUNT: _____ and DATE: _____

* PENALTY AMOUNT (If Any) = _____ OR Circle: NO PENALTY (26)

* REASON FOR PENALTY: ☐ EARLY TERMINATION ☐ FAILURE TO RENEW ☐ OTHER (27)
 EXPLAIN OTHER _____

* INCREMENTAL BORROWING RATE: (Prime Rate at Add/Renew Date) = _____ % (28)

* CURRENT FAIR MARKET VALUE: (Best Estimate Required) = _____ (29)

ESTIMATED SALVAGE VALUE: = _____ (30)

GUARANTEED RESIDUAL VALUE: (If Any) = _____ (31)

UNGUARANTEED RESIDUAL VALUE: = _____ (32)

ESTIMATED ECONOMIC LIFE (Years/Months): TOTAL = ____ / ____ REMAINING = ____ / ____ (33)

ASSET AMORTIZATION LIFE: YEARS _____ MONTHS _____ (34)

AMORTIZATION DATES: START = ____ - ____ - ____ - ____ END = ____ - ____ - ____ - ____ (35)

OR CHECK: ☐ N/A (MM) (YYYY) (MM) (YYYY)

Note: If title passes or if bargain purchase option, asset should be amortized (depreciated) over its remaining economic life. If it does not pass either of the above tests, but is a capital lease, then the asset should be amortized over the term of the lease.

**** RESULTS OF CLASSIFICATION TESTS: ☐ CAPITAL LEASE ☐ OPERATING LEASE ****

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PROCEDURES (Continued)

400 Form LAS-3 Payment Stream, Lessor and Approval Information

The third of the three forms in the Lease Transaction Package is Form LAS-3, which includes the payment stream, lessor information, and preparer/approval information. This form is used to specify the payment stream pertaining to the lease. The lessor lease information section is only required if the lease is a lessor lease from the agency's standpoint. If an agency owns an asset and rents it to another state agency or non-state entity, the agency is the lessor. On the other hand, if another person or organization (state or non-state) owns an asset, and rents it to the agency, the agency is the lessee. In most lease agreements involving agencies of the Commonwealth, the agency is the lessee.

The lower portion of Form LAS-3 contains space for approval by an authorized individual and for preparer information. This portion of the form is intended to constitute approval of the lease transaction, and thereby, signify approval for input of the Lease Transaction Package (Forms LAS-1,2,3) as a whole. By providing for approval of each transaction, the need for an approved batch header or transmittal letter is eliminated. Each Form LAS-3 should be stapled to Forms LAS-1 and LAS-2.

Preparer's Instructions for Form LAS-3 (see Subsection 100 for format explanation):

- | | | | |
|------------|-----|-----------------------------------|--|
| 36. (3) | N R | Agency | The three digit Agency Number assigned in CARS. |
| 36. (4) | N R | Lease Number | Unique one to four digit lease number. The lease number on Form LAS-3 must be the same as the lease number on related Forms LAS-1 and 2. |
| 37.(Space) | | Payment Stream Information | This portion of Form LAS-3 should be used to indicate payments associated with the lease. See "Note" at the top of the form for guidance. |
| (a) | N R | Payment Amount | In this field, specify the gross minimum lease payment for the period in whole dollars (no cents). The gross minimum lease payment includes executory costs. If payments are made each month, specify the monthly amount, if quarterly, specify the quarterly amount, etc. If a lease contains payments of different amounts or to cover different time periods, use additional lines to record these differences. |

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PROCEDURES (Continued)

400 Form LAS-3 Payment Stream, Lessor and Approval Information (Continued)

(b)	N R or %	Executory Costs	In this field, specify the executory costs associated with the lease in whole dollars (no cents) or as a percentage of the payment amount (if percentage, use a percentage mark, %). Executory costs include items such as taxes, utilities, maintenance, insurance, etc., that are part of the periodic payment, but are not actually for the "rental" of the asset. If such costs are paid separately to the lessor or to another party, they are not executory costs and should not be included in either field (a) or field (b). Executory costs should be expressed in the same terms as the payment amount; that is monthly, quarterly, annually, etc. The system will deduct field (b) from field (a) to determine the net minimum lease payment.
(c)	N R	Number of Payments	In this field, indicate the number of times that the amount in field (a) will be paid. For example, if a lease is for three years and payable monthly, specify the number 36; if for three years and payable quarterly, specify the number 12; if for three years and payable annually, specify the number 3.
(d)	N R	Months Between Payments	In this field, enter either 1,3,4,6 or 12 to indicate the number of months between payments. For example, for leases with monthly payments enter 1, for quarterly payments enter 3, for semi-annual enter 6, and for annual enter 12.
38.(Check)		Separate Maintenance Agreement	Some leased equipment and leased buildings or office space include maintenance in the rental cost along with any other applicable executory costs. However, some agencies have arranged for maintenance by a separate agreement that is paid separately from the rental expense. If the property in this lease is maintained by a separate maintenance contract, check this item and do not include the separate maintenance cost in the payment stream.

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PROCEDURES (Continued)

400 Form LAS-3 Payment Stream, Lessor and Approval Information (Continued)

39. (Space) **Economic Conditions Requiring Expanded Lease Term** Explain, if there are any economic conditions as described in CAPP Volume 1, Topic No. 30105, "Introduction," under the "Lease Term" definition, which would require one or more renewal terms to be included in the payment stream.
- Note:** Lessor Lease Information is to be specified only if the agency is the lessor in the lease (owns the asset and is renting it to the lessee).
- 40.(Space) N R **Fair Value** Indicate the fair market value of the leased asset. This should correspond to the fair value specified on Form LAS-2, item 29.
- 40.(Space) N R **Cost or Carrying Value** Indicate the cost or carrying value (book value) to the lessor of the asset.
- 40.(Space) N **Initial Direct Costs** The amount of initial direct costs incurred by the lessor, should be specified. These are costs that are directly associated with negotiating and completing leasing transactions and may include such items as commissions, legal fees, costs of document preparation, etc.
41. (Check) **Equal To or Less Than Fair Value** Check the appropriate item depending on whether cost or carrying value (if known) is equal to fair value or less than fair value.
42. Preparer and Approval Information:
- (Space) A R **Preparer's Name & Title** Preparer should be identified so that any DOA questions or correspondence can be directed to the appropriate person.
- (Space) N R **Preparer's Phone Number** This should be furnished to facilitate any necessary telephone contact.
- (Space) N R **Date Approved** The date the Lease Transaction Package is approved for submission to DOA.
- (Space) A R **Authorized Signature and Title** DOA retains on file, copies of documentation in which agency fiscal officers delegate authority to approve both FAACS and LAS input. Each Lease Transaction Package (Forms LAS-1, 2 and 3) should be approved by either the agency fiscal officer or an individual to whom authority to approve LAS input has been properly delegated.

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LEASE NO. _____ (36)

Form LAS-3

PAYMENT STREAM INFORMATION

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Note: Round to nearest whole dollar amount. Use additional Reference Line Numbers to reflect variation in payment stream. Executory costs, if any, should be disclosed in the lease. Payment Amount should include Executory Costs, then show the Executory Costs separately in dollar or percentage (use %) of the Payment Amount. Partial payments should be reflected in the amount column, not the number of payments column.

REF. NO.	PAYMENT AMOUNT (\$ OR Ø)	EXECUTORY COSTS (\$ OR % OR Ø)	NUMBER OF PAYMENTS (1-1,200)	MONTHS BETWEEN PAYMENTS (1,3,4,6 OR 12)
1.	(a) _____	(b) _____	(c) _____	(d) _____ (37)
2.	(a) _____	(b) _____	(c) _____	(d) _____
3.	(a) _____	(b) _____	(c) _____	(d) _____
4.	(a) _____	(b) _____	(c) _____	(d) _____
5.	(a) _____	(b) _____	(c) _____	(d) _____
6.	(a) _____	(b) _____	(c) _____	(d) _____
7.	(a) _____	(b) _____	(c) _____	(d) _____
8.	(a) _____	(b) _____	(c) _____	(d) _____
9.	(a) _____	(b) _____	(c) _____	(d) _____
10.	(a) _____	(b) _____	(c) _____	(d) _____

☐ Check if maintenance is covered by a separate contract. (38)

Explain on reverse side, any economic lease conditions which require inclusion of renewal lease term(s) with the original lease term. (39)

LESSOR LEASE INFORMATION

FAIR MARKET VALUE = _____ (Best Estimate Required) (40)

COST OR CARRYING VALUE = _____ (Best Estimate Required)

INITIAL DIRECT COSTS = _____ (if Any)

CHECK ONE:

☐ COST OR CARRYING VALUE EQUALS FAIR VALUE
(Direct Financing Type If Non-operating Lease)

☐ COST OR CARRYING VALUE IS LESS THAN FAIR VALUE

(Sales Type If Non-operating Lease - Generally, Lessor Non-operating Leases Should Not Be Of This Type)

Note: If Costs or Carrying Value is greater than Fair Value, Cost or Carrying Value should be written down to equal Fair Value.

PREPARER'S NAME: _____

TITLE: _____ (42)

PREPARER'S PHONE NUMBER: _____

DATE APPROVED: _____

AUTHORIZED LAS SIGNATURE: _____

TITLE: _____

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PROCEDURES (Continued)

500 Form LAS-4 - Deletion-Termination-Extension

Delete Action Code - This action code removes the lease from the system, which means that it will no longer appear on LAS reports. This action code should only be used if it is determined that a lease should not be in the system. If there is a valid reason to delete the lease, then a Delete Action Code may be submitted to remove it from the system. Two examples for deleting a lease are:

- 1) The lease is determined to be an installment purchase rather than a lease.
- 2) The lease should have been terminated in the prior fiscal year and, should not have rolled forward into the current fiscal year.

Terminate Action Code - Terminating a lease is not the same as deleting a lease. A terminated lease is still included in the financial data for the period in which it is active. A lease that has been deleted from LAS is not included in the financial data, it is purged from the system. When Terminating or Extending a lease, both the adjusted ending date and the adjusted payment stream are required on Form LAS-4. If a lease is canceled early, before its original ending date, a Terminate Action Code may be submitted.

Extend Action Code - If one or more lease payments are made beyond the original ending date (not a renewal for a new lease term), then an Extend Action Code should be submitted, using Form LAS-4. No action is needed if there is no change in the payment stream, because the lease will expire automatically with the last payment. If the payment stream reflects one or more payments in the next fiscal year, the lease will roll forward into the new fiscal year and appear on final lease reports for that fiscal year. The beginning date in combination with the payment stream information determines the expiration month and year.

Preparer's Instructions for Form LAS-4 (see Subsection 100 for format explanation):

- | | | | |
|------------|-----|-----------------------------|--|
| 1. (1) | A R | Action Code | Select the desired action.

D = Delete T = Terminate E = Extend |
| 2. (Space) | A R | Reason | Give an explanation for the requested action. |
| 3. (3) | N R | Agency Number | The three-digit Agency Number assigned in CARS. |
| 4. (21) | A R | Agency Name | Agency Name or reasonable abbreviation. |
| 5. (4) | N R | Fiscal Year of Input | The Fiscal Year (ending June 30th) in which the transaction is being submitted for input into system, for example, FYE 30 June 1991 = <u>06-1991</u> . |
| 6. (Check) | R | Lessee or Lessor | Look at the current LAS report to confirm which type of lease, (e.g., for Lessee leases, the agency rents from the lessor, and for Lessor leases, the agency rents to the lessee). |

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PROCEDURES (Continued)

500 Form LAS-4 - Deletion-Termination-Extension (Continued)

(Check)	R	Capital or Operating	Look at the current LAS report to confirm if the lease is a Capital lease or an Operating lease.
7. (4)	N R	Lease Number	Unique one-to-four digit lease number assigned by agency.
8. (2)	N R	LAS Division #	The fund used as the LAS Division Number on the current LAS report.
9. (35)	A R	Lease Description	Information to help identify the lease. Description should be the same as indicated on the current LAS report.
10. (2-2-4)	N R	Adjusted Ending Date	Required, if an early termination or extension, give the new date for final payment.
11. (Space)	A R	Penalty Information	Required, if there is a penalty for any reason, give amount and reason, or check "No Penalty."
12. (Space)	N R	Payment Stream Information	Required, if payment stream information changes, indicate the reference line number (x,y,z) affected, and the new: (a) Payment Amount (b) Executory Costs (c) Number of Payments (d) Months Between Payments
13. Preparer and Approval Information:			
(Space)	A R	Preparer's Name & Title	Preparer should be identified so that any DOA questions or correspondence can be directed to the appropriate person.
(Space)	A R	Preparer's Phone Number	This should be furnished to facilitate any necessary telephone contact.
(Space)	N R	Date Approved	The date that the transaction is approved for submission to DOA.
(Space)	A R	Authorized Signature and Title	DOA retains on file, copies of documentation in which agency fiscal officers delegate authority to approve LAS input. Each Form LAS-4 should be approved by the agency fiscal officer or his/her designee.

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Form LAS-4

LEASE DELETION, TERMINATION, EXTENSION REQUEST

- A DELETE IS APPROPRIATE ONLY TO REMOVE A LEASE THAT SHOULD NOT BE IN LAS
- ONLY WHEN A LEASE TERMINATES EARLY, SHOULD A TERMINATION BE REQUESTED.
- AN EXTENSION SHOULD NOT BE USED AS A RENEWAL, USE LAS-1,2,3 FOR RENEWALS.
- A LEASE WILL EXPIRE AUTOMATICALLY AT THE END OF THE PAYMENT STREAM. NO ACTION IS REQUIRED, UNLESS FINAL PAYMENT DATE CHANGES.

ACTION CODE D = DELETE T = TERMINATE E=EXTEND (See Above)

REASON FOR REQUEST (Required):

AGENCY NUMBER: (3 Numeric Characters)

AGENCY NAME: (Up to 21 Characters)

INPUT FISCAL YEAR: (Current Fiscal Year End - June 30th) (YYYY)

CHECK: ☐ LESSEE or ☐ LESSOR

☐ CAPITAL LEASE or ☐ OPERATING LEASE

LEASE NUMBER (1 to 4 Numeric Characters) _ _ _ _

LAS DIVISION #: _ _
(FUND)

LEASE DESCRIPTION: (Up to 35 Alpha/Numeric Characters)

IF EXTENSION OR EARLY TERMINATION:

ADJUSTED ENDING PAYMENT DATE: (MM-DD-YYYY)

PENALTY AMOUNT: (If Any)

or CHECK: ☐ NO PENALTY

REASON: (If Penalty)

PAYMENT STREAM ADJUSTMENT: (Specify Reference Line #'s To Adjust)

REF. NO.	PAYMENT AMOUNT (\$ OR Ø)	EXECUTORY COSTS (\$ OR % OR Ø)	NUMBER OF PAYMENTS (1-1,200)	MONTHS BETWEEN PAYMENTS (1,3,4,6 OR 12)
()	(a) _____	(b) _____	(c) _____	(d) _____
()	(a) _____	(b) _____	(c) _____	(d) _____
()	(a) _____	(b) _____	(c) _____	(d) _____

PREPARER'S NAME:

TITLE:

PREPARER'S PHONE NUMBER:

DATE APPROVED:

AUTHORIZED LAS SIGNATURE:

TITLE:

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PROCEDURES (Continued)

600 LAS-5 - Report Request

LEASE REPORT REQUEST

See CAPP Topic No. 70610, "LAS Reports," for descriptions of the various LAS Reports.

An individual lease report, in the Input Data format, is produced and sent to the agency at the time a lease transaction is keyed into the system, no request is needed. This provides confirmation that the lease has been entered into LAS, and gives the agency the opportunity to verify that the data is correct. (Any errors found should be corrected).

Prior to Fiscal Year End Close, all agencies with LAS data will receive an "ALL" lease set of input reports, with instructions to verify the data on the reports. After verification, a confirmation form is submitted along with any corrective action needed to bring LAS into agreement with agency records. After Final Close, all agencies with LAS data will receive both Full Disclosure Reports on each lease and Summary Disclosure Reports for "ALL" leases in LAS.

If agencies need reports to meet special needs at times other than the usual time of distribution for reports, agencies may use Form LAS-5 to make requests for individual or summarized lease data.

Preparer's Instructions for Form LAS-5 (see Subsection 100, "General," for format explanation):

- | | | | |
|------------|-----|---|--|
| 1. (3) | N R | Agency Number | The three digit Agency Number assigned in CARS. |
| 2. (21) | A R | Agency Name | Agency Name or reasonable abbreviation. |
| 3. (4) | N R | Fiscal Year of Report | Fiscal Year (Ending June 30th) of the desired report, (e.g., if seeking a report for a lease that expired in Fiscal Year 88-89, it would be necessary to access the system files for the Fiscal Year Ending June 30, 1989). The correct input for this example would be 06-1989. |
| 4. (Check) | R | Lessee/Lessor | Check the appropriate lease type. Do not request both lessee and lessor on the same report request form. |
| 5. (4-2) | N R | Lease # and Division # | For individual lease reports, indicate the unique lease number and the LAS Division number. |
| 6. (Check) | R | ALL Leases &/or Summary Disclosure | Check if ALL leases in the system, for specified fiscal year, are desired. Also, indicate "With" or "Without" for the Summary Disclosure Report. |
| 7. (Check) | R | Input Data or Full | Check if (short) Input Data Report is desired, or if (long) Full Disclosure Report is desired, |

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PROCEDURES (Continued)

600 LAS-5 - Report Request (Continued)

8. (Check) **Disclosure** (see CAPP Topic No. 70610, "LAS Reports," for description of reports).
9. Preparer and Approval Information:
- (Space) A R **Preparer's Name & Title** Preparer should be identified so that any DOA questions or correspondence can be directed to the appropriate person.
- (Space) A R **Preparer's Phone Number** This should be furnished to facilitate any necessary telephone contact.
- (Space) N R **Date Approved** The date that the report request is approved for submission to DOA.
- (Space) A R **Authorized LAS Signature and Title** DOA retains on file, copies of documentation in which agency fiscal officers delegate authority to make report requests. Each Form LAS-5 should be approved by either the agency fiscal officer or his/her designee.

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COMMONWEALTH OF VIRGINIA
LEASE ACCOUNTING SYSTEM

Form LAS-5

LEASE REPORT REQUEST

AGENCY NUMBER: (3 Numeric Characters) _____ (1)
 AGENCY NAME: (Up to 21 Characters) _____ (2)
 FISCAL YEAR: (Ending June 30th) OF REPORT REQUEST (YYYY): 0 6 - ____ (3)

LEASE REPORTS FOR THE FOLLOWING LEASES ARE REQUESTED: CHECK ONE: LESSEE ☐ (4)
 LESSOR ☐

LEASE # ____	DIV. # ____	LEASE # ____	DIV. # ____	(5)
LEASE # ____	DIV. # ____	LEASE # ____	DIV. # ____	
LEASE # ____	DIV. # ____	LEASE # ____	DIV. # ____	
LEASE # ____	DIV. # ____	LEASE # ____	DIV. # ____	
LEASE # ____	DIV. # ____	LEASE # ____	DIV. # ____	
LEASE # ____	DIV. # ____	LEASE # ____	DIV. # ____	
LEASE # ____	DIV. # ____	LEASE # ____	DIV. # ____	
LEASE # ____	DIV. # ____	LEASE # ____	DIV. # ____	
LEASE # ____	DIV. # ____	LEASE # ____	DIV. # ____	
LEASE # ____	DIV. # ____	LEASE # ____	DIV. # ____	

OR: ☐ ALL LEASES IN LAS ☐ WITH or ☐ W/O ALL LEASE SUMMARY DISCLOSURE (6)

CHECK ONE: ☐ INPUT DATA (To Verify Submission Received And Input Correct) (7)
☐ FULL DISCLOSURE (For Preparation of Year End Financial Statements) (8)

Note: Input Data Reports for each lease will be sent to agencies as input forms are keyed into LAS. Prior to Fiscal Year End Close, Input Data Reports for ALL leases will be sent to agencies for verification and confirmation. After Final Close each year, both the Summary and the Full Disclosure Reports for ALL leases will be sent to agencies.

PREPARER'S NAME: _____ TITLE: _____ (9)

PREPARER'S PHONE NUMBER: _____ DATE APPROVED: _____

AUTHORIZED LAS SIGNATURE: _____ TITLE: _____

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PROCEDURES (Continued)

700 Using LAS - Action Codes

LAS facilitates maintenance of accurate lease information through the use of six action codes: Add, Renew, Change, Delete, Terminate and Extend. A new lease may be added, or an existing lease may be changed, renewed, deleted, terminated or extended. A subsection has been devoted to each action code along with instructions to implement each action code.

701 Add Transactions

Leases for less than one year or whose payments are less than \$500.00 per year are not required to be included in LAS. Although not required, those leases may be included to take advantage of the information management features of the system.

When a new lease commitment is recorded in the system, a Lease Transaction Package (Forms LAS-1, 2 & 3) must be completed by following the guidelines found in Subsection 200. If an existing lease number is used, the transaction will not be accepted by the system (unless the alternate LAS Division Number is specified, which is required for renewals).

Numbering schemes for the lease number vary from agency to agency. For Real Estate leases, it is generally desirable for the numbering scheme to relate to the lease numbers assigned by DGS for the Real Property Management System. Leases involving real estate should be approved by the Bureau of Real Property Management, of the Department of General Services. Each lease is assigned an "L" number and also is entered in the Real Property Management System. However, if agencies wish to use the "L" character with the number assigned by DGS in LAS, they can only use it in the description field, as LAS will not accept alpha characters in the lease number field.

702 Renewal Transactions

The rules for entering a renewal are essentially the same as those for recording a new lease (for extensions, see Subsection 706, "Extend Transactions.") Because Operating lease renewals are handled differently from Capital lease renewals, once a renewal is recorded for an Operating lease, the Individual Lease Report (CAPP Topic No. 70610, "LAS Reports,") will display information concerning only the renewal (same Lease Number but alternate LAS Division Number). Therefore, an agency should ensure that the lease report for the original lease is filed permanently along with the original lease documentation. Accounting and payment information is maintained for both the original and renewal terms, with the same Lease Number, but alternate LAS Division Numbers. During the fiscal year of renewal, if one or more payments occur in the same fiscal year, a lease report for both the original and the renewal will be produced under the alternate Division Numbers.

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PROCEDURES (Continued)

700 Using LAS - Action Codes (Continued)

702 Renewal Transactions (Continued)

Example: An existing lease (Number 1001 and LAS Division 15) expires March 1991. It is renewed for another 12 month lease term. The original lease 1001, Div-15, will remain in the system for the current fiscal year. The renewal will be entered into the system as lease 1001, Div-35, (which is still Fund 1500 - GFAAG). Fiscal Year End 1991 reports will reflect both the original and the renewal as lease Number 1001, but alternate Division numbers (15 & 35). FYE 92 reports will reflect only the renewal lease, unless the process is repeated by another renewal. If this happens, the second renewal would be coded under Division 15 again, but with an inception date of March 1992.

Be careful to ensure there is no overlap in the payment stream as this would reflect duplicate payment(s), and no gap in the payment stream as this could reflect a payment omission.

Renewals for Capital leases are made to existing Capital lease numbers in the same LAS Division Number.

Whenever an option to renew is exercised, input Forms LAS-1,2, & 3 should be submitted using Renewal action code 'R' and the following guidelines:

- The renewal lease number must be the same as the original lease number.
- The three forms should be stapled, but in case they become separated, remember to complete the key information on all three input forms.

A Renewal should not be put into LAS until the option to renew has been exercised, unless there is an economic reason, such as a penalty for failure to renew or a Bargain Renewal Option, etc. It is then assumed that the option to renew will be exercised, and the future obligation should be recorded in LAS by including all renewal terms that have an economic impact to encourage renewal of the lease. A comment to explain this should be included on the back of Form LAS-3.

703 Change Transactions

To effect a Change (correction) to an existing lease in LAS, a Lease Transaction Package, Forms LAS-1, 2 and 3 (stapled) should be submitted. The "key field" information (Lessee or Lessor, Capital or Operating, and Agency/Division/Lease Numbers) should be filled in, as well as the preparer and approval information section on Form LAS-3. The Change Action Code 'C' should be specified on Form LAS-1. For additional guidance see Subsection 200, "Form LAS-1 - General Lease Information."

Otherwise, only those fields requiring change should be filled in. If a field containing information is to be blanked out, code 'b' in the field, with a slash mark (/) through the 'b'.

An alternative, and the preferred method, for submitting a change is to submit a photocopy of the individual lease report with changes indicated in red or green ink. If this method is used, ensure preparer and approval information are written on the submission. The signature must be an original, not a photocopy.

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PROCEDURES (Continued)

700 Using LAS - Action Codes (Continued)

704 Delete Transactions

Use of Action Code 'D' (Delete) on a lease Deletion-Termination-Extension request (Form LAS-4) is appropriate only if a lease is in the system, but should not be. For example, an agreement was found to be an installment purchase instead of a lease, or the lease should have been terminated in the Prior Fiscal Year, but has incorrectly rolled forward into the Current Fiscal Year. Either example would be a valid reason to delete the lease from the system for the Current Fiscal Year.

A request to delete a lease should include an explanation as to why the lease should be deleted.

Preparer and approval information on Form LAS-4 must be furnished. For additional guidance see Subsection 500, "Form LAS-4 - Deletion-Termination-Extension."

705 Terminate Transactions

Use of Action Code 'T' (Terminate) on a Deletion-Termination-Extension request (Form LAS-4) is appropriate only if a lease is terminated early, i.e., prior to its original expiration date. No action is needed if the lease input report indicates the inception date and payment stream are recorded correctly in the system. The lease will expire at the end of the payment stream. If one or more payments carry forward to the next fiscal year, the lease will roll forward into the next fiscal year, and it will continue to appear on lease reports throughout the remainder of that fiscal year.

A request to terminate a lease should include an explanation as to why the lease should be terminated early.

Preparer and approval information on Form LAS-4 must be furnished. For additional guidance see Subsection 500, "Form LAS-4 - Deletion-Termination-Extension."

706 Extend Transactions

Use of Action Code 'E' (Extend) on a lease Deletion-Termination-Extension request (Form LAS-4) is appropriate if a lease is extended for one or more payments, or if "No Charge" (free installments) extend the lease beyond the original ending date. This is usually a short time period and is not considered a renewal of the lease for an additional lease term. The lease remains in the same LAS Division Number, rather than changing to the alternate Division Number, as a renewal does. Only the payment stream is adjusted in the system, unless the lease is Capital, then a new ending date is keyed into the system. Generally, extensions should not exceed twelve (12) months.

A request to extend a lease should include an explanation as to why the lease should be extended.

Preparer and approval information on Form LAS-4 must be furnished. For additional guidance see Subsection 500, "Form LAS-4 - Deletion-Termination-Extension."

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PROCEDURES (Continued)

800 LAS Input Forms for Photocopying

Blank copies of Forms LAS-1, 2, 3, 4, and 5 can be found at the end of this topic. These pages do not have CAPP Manual headings in order to provide a permanent copy of the forms which can be used by agencies to make photocopies of each form as needed.

INTERNAL CONTROL

Each agency and institution should implement cost-beneficial internal control procedures to ensure that:

- All lease activity is properly controlled by the submission of appropriate lease input documents;
- lease input documents are prepared in a timely and accurate manner;
- lease input documents are reviewed and approved by authorized personnel; and
- lease data entered into the system is reconciled to source documentation.

DOA CONTACT

Assistant Director, Fixed Assets and Indirect Cost



(804) 225-2646

FAX (804) 786-3356



finrept@doa.virginia.gov

SUBJECT CROSS REFERENCES

CAPP Topic No. 30105, "Introduction"

CAPP Topic No. 70610, "LAS Reports"

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GENERAL LEASE INFORMATION

Note: No Batch Header needed. Forms LAS-1, 2, 3 must be stapled together.

ACTION CODE: A = ADD R = RENEW C = CHANGE (Correction) _____

AGENCY NUMBER: (3 Numeric Characters) _____

AGENCY NAME: (Up to 21 Characters) _____

INPUT FISCAL YEAR: (Current Fiscal Year End – June 30th (YYYY) _____

0 6 - _____

CIRCLE: LESSEE or LESSOR

CIRCLE: LEASE or SUBLEASE

PAYMENT IS CHARGED / CREDITED (Circle) TO CARS FUND:

AND PROGRAM:

LAS FUND DESCRIPTION:

LAS FUND/DIVISION NUMBER: _____

LEASE NUMBER: (1 to 4 Numeric Characters) _____

LEASE DESCRIPTION: (Up to 35 Alpha/Numeric Characters) _____

BEGINNING INCEPTION/RENEWAL (1st Payment) DATE (MM-YYYY) _____ - _____

ENDING (Last Payment) DATE (MM-YYYY) _____ - _____

TIMING OF PAYMENT: (Due At) B = BEGINNING E= END (of Payment Period)

CATEGORY TYPE: (Circle Number)

01 - LAND

11 - LAND

- TRANSFER OF OWNERSHIP

02 - LAND & BUILDING

12 - LAND & BUILDING

- TRANSFER OF OWNERSHIP

^a 03 - BUILDING^b 13 - BUILDING

- TRANSFER OF OWNERSHIP

04 - PART OF BUILDING

^c 14 - PART OF BUILDING

- TRANSFER OF OWNERSHIP

05 - EQUIPMENT

15 - EQUIPMENT

- TRANSFER OF OWNERSHIP

^a ☐ Check if mobile/temporary building or part of multiple building complex, and use Text 'C' only, or not checked, use Category 02, or explain.^b ☐ If Test 'A' or 'B' is YES, use Category 12 instead of 13, or explain.^c Explain: _____^c (a, b, c):

IF CATEGORY 02 (Land & Building) COMPLETE THE FOLLOWING:

Note: If Renewal, adjust from original to current Fair Market Value.

CURRENT FAIR MARKET VALUE OF BUILDING = _____ (BV)

CURRENT FAIR MARKET VALUE OF LAND = _____ (LV)

TOTAL FAIR MARKET VALUE = _____ (TV)

PERCENT LAND OF TOTAL (LV / TV * 100 = %) = _____ (%)

IS LAND EQUAL TO OR GREATER THAN 25% OF THE TOTAL FAIR VALUE?

Note: If YES, DOA will determine if lease is "Split", Capital or Operating lease.

CLASSIFICATION TEST INFORMATION

2 of 3

Note: If Test 'A' or 'B' is 'YES' for any Category, circle 11-15 on LAS-1.

If asset is in last 25% of its economic life, only Tests 'A' & 'B' apply.

If asset is Category 01 (Land), only Tests 'A' and 'B' apply.

If asset is Category 04 (Part of Building), only Test 'C' applies.

Otherwise, ALL (A,B,C,D) Classification Tests are REQUIRED.

If ONE OR MORE CLASSIFICATION TESTS ARE POSITIVE, THE LEASE IS CAPITAL.

A - TITLE TRANSFER TEST: Does Title Pass to Lessee? (YES or NO) _____

B - BARGAIN PURCHASE TEST: Is there a Bargain Purchase Option? (YES or NO) _____

C - LEASE TERM TEST:

1. LEASE TERM (LT) = YEARS _____ MONTHS _____
2. ESTIMATED REMAINING ECONOMIC LIFE (EREL) = YEARS _____ MONTHS _____
3. PERCENTAGE 1 of 2 (LT / EREL x 100 = % Be Sure Terms Are Same) = _____ %
4. IS 3 EQUAL TO OR GREATER THAN 75%? (Yes or No) _____

D - ASSET INFORMATION & 90% PAYMENT TEST: *** (Test Completed at DOA) ***

Note: Provide all data, if applicable and available. *Asterisk = Required Data

If Renewal, adjust from the original to the current Fair Market Value.

* IS THERE A BARGAIN RENEWAL OPTION? (Yes or No) _____

IF YES AMOUNT: _____ and DATE: _____

* PENALTY AMOUNT (If Any) = _____ OR Circle: NO PENALTY

* REASON FOR PENALTY: ☐ EARLY TERMINATION ☐ FAILURE TO RENEW ☐ OTHER

EXPLAIN OTHER _____

* INCREMENTAL BORROWING RATE: (Prime Rate at Add/Renew Date) = _____ %

* CURRENT FAIR MARKET VALUE: (Best Estimate Required) = _____

ESTIMATED SALVAGE VALUE: = _____

GUARANTEED RESIDUAL VALUE: (If Any) = _____

UNGUARANTEED RESIDUAL VALUE: = _____

ESTIMATED ECONOMIC LIFE (Years/Months): TOTAL = ____ / ____ REMAINING = ____ / ____

ASSET AMORTIZATION LIFE: YEARS _____ MONTHS _____

AMORTIZATION DATES: START = ____ - ____ END = ____ - ____
(MM) (YYYY) (MM) (YYYY)

OR CHECK: ☐ N/A

Note: If title passes or if bargain purchase option, asset should be amortized (depreciated) over its remaining economic life. If it does not pass either of the above tests, but is a capital lease, then the asset should be amortized over the term of the lease.

**** RESULTS OF CLASSIFICATION TESTS: ☐ CAPITAL LEASE ☐ OPERATING LEASE ****

PAYMENT STREAM INFORMATION

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Note: Round to nearest whole dollar amount. Use additional Reference Line Numbers to reflect variation in payment stream. Executory costs, if any, should be disclosed in the lease. Payment Amount should include Executory Costs, then show the Executory Costs separately in dollar or percentage (use %) of the Payment Amount. Partial payments should be reflected in the amount column, not the number of payments column.

REF. NO.	PAYMENT AMOUNT (\$ OR Ø)	EXECUTORY COSTS (\$ OR % OR Ø)	NUMBER OF PAYMENTS (1-1,200)	MONTHS BETWEEN PAYMENTS (1,3,4,6 OR 12)
1.	(a) _____	(b) _____	(c) _____	(d) _____
2.	(a) _____	(b) _____	(c) _____	(d) _____
3.	(a) _____	(b) _____	(c) _____	(d) _____
4.	(a) _____	(b) _____	(c) _____	(d) _____
5.	(a) _____	(b) _____	(c) _____	(d) _____
6.	(a) _____	(b) _____	(c) _____	(d) _____
7.	(a) _____	(b) _____	(c) _____	(d) _____
8.	(a) _____	(b) _____	(c) _____	(d) _____
9.	(a) _____	(b) _____	(c) _____	(d) _____
10.	(a) _____	(b) _____	(c) _____	(d) _____

☐ Check if maintenance is covered by a separate contract.

Explain on reverse side, any economic lease conditions which require inclusion of renewal lease term(s) with the original lease term.

LESSOR LEASE INFORMATION

FAIR MARKET VALUE = _____ (Best Estimate Required)

COST OR CARRYING VALUE = _____ (Best Estimate Required)

INITIAL DIRECT COSTS = _____ (if Any)

CHECK ONE:

☐ COST OR CARRYING VALUE EQUALS FAIR VALUE
(Direct Financing Type If Non-operating Lease)

☐ COST OR CARRYING VALUE IS LESS THAN FAIR VALUE
(Sales Type If Non-operating Lease - Generally, Lessor Non-operating Leases Should Not Be Of This Type)

Note: If Costs or Carrying Value is greater than Fair Value, Cost or Carrying Value should be written down to equal Fair Value.

PREPARER'S NAME: _____

TITLE: _____

PREPARER'S PHONE NUMBER: _____

DATE APPROVED: _____

AUTHORIZED LAS SIGNATURE: _____

TITLE: _____

LEASE DELETION, TERMINATION, EXTENSION REQUEST

- A DELETE IS APPROPRIATE ONLY TO REMOVE A LEASE THAT SHOULD NOT BE IN LAS
- ONLY WHEN A LEASE TERMINATES EARLY, SHOULD A TERMINATION BE REQUESTED.
- AN EXTENSION SHOULD NOT BE USED AS A RENEWAL, USE LAS-1,2,3 FOR RENEWALS.
- A LEASE WILL EXPIRE AUTOMATICALLY AT THE END OF THE PAYMENT STREAM. NO ACTION IS REQUIRED, UNLESS FINAL PAYMENT DATE CHANGES.

ACTION CODE D = DELETE T = TERMINATE E=EXTEND (See Above)

REASON FOR REQUEST (Required):

AGENCY NUMBER: (3 Numeric Characters)

AGENCY NAME: (Up to 21 Characters)

INPUT FISCAL YEAR: (Current Fiscal Year End - June 30th) (YYYY)

0 6 -

CHECK: ☐ LESSEE or ☐ LESSOR☐ CAPITAL LEASE or ☐ OPERATING LEASELEASE NUMBER (1 to 4 Numeric Characters) _ _ _ _LAS DIVISION #: _ _
(FUND)

LEASE DESCRIPTION: (Up to 35 Alpha/Numeric Characters)

IF EXTENSION OR EARLY TERMINATION:

ADJUSTED ENDING PAYMENT DATE: (MM-DD-YYYY)

PENALTY AMOUNT: (If Any)

or

CHECK: ☐ NO PENALTY

REASON: (If Penalty)

PAYMENT STREAM ADJUSTMENT: (Specify Reference Line #'s To Adjust)

REF. NO.	PAYMENT AMOUNT (\$ OR Ø)	EXECUTORY COSTS (\$ OR % OR Ø)	NUMBER OF PAYMENTS (1-1,200)	MONTHS BETWEEN PAYMENTS (1,3,4,6 OR 12)
()	(a) _____	(b) _____	(c) _____	(d) _____
()	(a) _____	(b) _____	(c) _____	(d) _____
()	(a) _____	(b) _____	(c) _____	(d) _____

PREPARER'S NAME:

TITLE:

PREPARER'S PHONE NUMBER:

DATE APPROVED:

AUTHORIZED LAS SIGNATURE:

TITLE:

LEASE REPORT REQUEST

AGENCY NUMBER: (3 Numeric Characters)

AGENCY NAME: (Up to 21 Characters)

FISCAL YEAR: (Ending June 30th) OF REPORT REQUEST (YYYY):

0 6 - _ _ _ _

LEASE REPORTS FOR THE FOLLOWING LEASES ARE REQUESTED:

CHECK ONE:

LESSEE ☐LESSOR ☐

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

LEASE # _ _ _ _ DIV. # _ _

OR: ☐ ALL LEASES IN LAS ☐ WITH or ☐ W/O ALL LEASE SUMMARY DISCLOSURECHECK ONE: ☐ INPUT DATA (To Verify Submission Received And Input Correct)☐ FULL DISCLOSURE (For Preparation of Year End Financial Statements)

Note: Input Data Reports for each lease will be sent to agencies as input forms are keyed into LAS. Prior to Fiscal Year End Close, Input Data Reports for ALL leases will be sent to agencies for verification and confirmation. After Final Close each year, both the Summary and the Full Disclosure Reports for ALL leases will be sent to agencies.

PREPARER'S NAME: _____

TITLE: _____

PREPARER'S PHONE NUMBER: _____

DATE APPROVED: _____

AUTHORIZED LAS SIGNATURE: _____

TITLE: _____